

REMARKS

Reconsideration of this Application is respectfully requested. Claim 1 is amended, without prejudice or disclaimer. New claims 2-18 are added. Claims 1-18 are now in this case.

The Examiner rejected claim 1 under 35 U.S.C. § 102(e) as being anticipated by Ginter et al. According to the Examiner, Ginter et al. teach a distributed commerce utility. Ginter et al., the Examiner continues, also teach within this utility appliance a protected processing environment that provides a highly secure, trusted environment in which electronic processes and transactions can be reliably performed without significant danger of tampering or other compromise (i.e., a *1st security function*). In this connection, the Examiner cites, e.g., to column 17, lines 1-30. The Examiner asserts, in addition, that Ginter et al. disclose a Certifying Authority which issues digital certificates that certify particular facts. In other words, the Examiner explains, they are used to control access to a system based on a user ID (i.e., a *2nd security function*). The Examiner then references, e.g., column 29, line 60 – column 30, line 52.

Next, the Examiner takes the position that Ginter et al. teach a transaction authority, the Examiner referring, e.g., to column 31, line 54. The transaction authority, says the Examiner, monitors the status of an electronic transaction and/or process and maintains a secure, reliable record of what has happened and what still needs to happen. The Examiner believes that by doing this, the transaction authority is essentially monitoring the availability of internal support processes and, therefore, represents a *system availability function*. The Examiner additionally believes that Ginter et al. disclose the transaction

authority providing electronic notification, thereby representing a *notification function*.

The Examiner cites, in this regard, column 32, lines 20-50.

Furthermore, the Examiner states that Ginter et al. teach a virtual distributed environment administration service. This service, the Examiner continues, ensures that the network operates securely, smoothly and efficiently. The Examiner explains that, to this end, the VDE administration service may manage cryptographic keys used for electronic security throughout the network (i.e., a *secure access function*). The Examiner references, e.g., column 33, lines 5-25.

Thereafter, the Examiner indicates that Ginter et al. (starting at column 35, line 19) set forth Commerce Utility system descriptors that contain (track) information about the Commerce Utility system that may be used to identify such a system and its capabilities. He explains that these systems are implemented using object oriented programming techniques. The Examiner then asserts that this system corresponds to Applicants' *system utility function* in that it can track login/logout, object creating, deleting, editing and rule based changes to the system.

The Examiner further takes the position that Ginter et al. teach a commerce utility support services layer, which provides increased efficiency for large numbers of transactions. Such utility support services, says the Examiner, include load balancing and database bridging (citing, e.g., column 37, lines 34-44). The Examiner concludes that this represents a *system load and balancing function*.

Also, according to the Examiner, Ginter et al. (e.g., at column 13, lines 29-31) disclose a system allowing third party archiving and/or authenticating of transactions

and/or transaction information for secure backup and non-repudiation. The Examiner determines that this represents a *system backup and recovery function*.

Finally, the Examiner finds that Ginter et al. teach a Usage Clearinghouse staring at column 28, line 15. He explains that the Usage Clearinghouse receives usage information, analyzes the usage information and provides reports based on the analysis it performs. The Examiner concludes, this represents Applicants' *operating system function*.

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Applicant, however, respectfully disagrees with the Examiner's reading and application of Ginter et al. to the present invention.

Applicants' invention is directed to a novel multilayer architecture for an intelligent program controlled system for identifying taxable financial transactions, collecting data based on the transactions, calculating any tax due on the transactions, reporting the same to a selected government authority, and periodically remitting funds corresponding to the taxes owed to the government authority over an interactive communications network, e.g., the Internet. Applicants' unique system architecture is particularly well-suited for a state-certified, automated, *sales and/or use tax calculation and payment system for payments and accruals*, as well as an on-line service that utilizes relatively low cost, free public domain, CTOS Web technologies, open source and other Internet industry standard software. In this manner, tax collection, tax payment, and filing of tax returns may be done generally automatically for any party, including merchants and other taxpayers, who use the system or subscribe to such a service.

Specifically, Applicants' infrastructure for an intelligent, program controlled system provides operations relating to transaction tax data computation, report remittance

and funds transfer between at least one subscriber and a selected government authority over an interactive communications network.

Unlike Applicant's invention, Ginter et al. purports to disclose secure automated transaction processing for use in electronic commerce, and electronic rights and transaction management over an electronic network such as the Internet. Such processing, Ginter et al. suggest, utilizes a financial clearinghouse for collecting appropriate sales taxes and depositing the funds in the appropriate accounts, e.g., an account belonging to a State tax collection agency. Ginter et al., however, neither disclose, nor do they suggest, an intelligent system having multilayer architecture for calculating sales and/or use tax for payments and accruals.

Also contrary to Applicants' invention, Ginter et al. does not teach or suggest a system with modular programming, or a multilayer architecture incorporating a modular programming infrastructure, for providing operations relating to transaction tax data computation, report remittance and funds transfer services between a subscriber and a government authority over an interactive communications network.

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Based on the foregoing, claim 1 is amended to better define Applicants' system as providing services relating to transaction tax data computation, report remittance and funds transfer between a subscriber and a government authority over an interactive communications network. In this connection, distinguishing features of the multilayer architecture are also delineated, including the subscriber layer, interactive communications network layer, applications layer, database layer and financial link layer.

Also, claim 1 is amended to clarify that, in the embodiment set forth: (i) the system utilizes a multilayer architecture incorporating a modular programming infrastructure; (ii) the listed functions comprise program modules; (iii) a service module is provided that includes first and second security modules; (iv) a system management and monitoring module includes a subscriber availability module, a notification module, an operating system module and a system availability module, the availability modules operating in real-time to insure relatively continuous availability of the services over the network; (v) a system operations module includes a system backup and recovery module, secure access module and system utility module; and that (vi) the system utility function module is also modular.

Applicants respectfully note the following voluntary amendments to the claims and the Specification.

First, for proper antecedent basis in claim 1, "the" on page 4, line 1 of this Amendment, is deleted, "a" in line 9 is changed to - - the - -, and "service" in line 10 is changed to - - system - -, such changes being made to better define the invention without limiting effect.

Second, new claims 2-18 are directed to particulars of the present invention other than those set forth in claim 1, as originally filed, and to better define the invention without limiting effect. Support for these new claims, and for the foregoing amendments, may be found, for example, in the Specification generally from page 18, line 6 through page 23, line 5 and on page 29, lines 5-13.

Last, the Specification is amended, changing "FIG. 1" to - - FIG. 1A - -, "FIG. 1A" to - - FIG. 1B - -, "FIG. 7" to - - FIG. 7A - -, and "FIG. 7A" to - - FIG. 7B - -, for consistency with the Formal Drawings filed in the Patent Office on February 18, 2004.

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Ginter et al., we respectfully submit, neither disclose nor suggest Applicants' invention, as claimed. Withdrawal of the Examiner's rejection under § 102(e) is, therefore, respectfully requested.

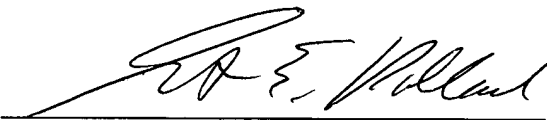
Applicants have made a good faith attempt to place this Application in condition for allowance. Favorable action is requested. If there is any further point requiring attention prior to allowance, the Examiner is asked to contact Applicants' counsel at (212) 768-3800.

Please charge any additional fees that may be required to our firm Deposit Account No. 50-0518.

Respectfully submitted,

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By:



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